

# Exhibit 1

## Amended Complaint

# Exhibit 1

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STEVEN F. BUS, ESQ.  
2 Law Offices of Steven F. Bus, Ltd.  
Nevada Bar #3041  
3 Quail Corners South  
611 Sierra Rose Drive  
4 Reno, Nevada 89511  
(775) 825-2700  
5 Attorney for Plaintiff

6 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**

7 **IN AND FOR THE COUNTY OF WASHOE**

8 \* \* \*

10 SARONIC INVESTMENTS, LLC,  
A Nevada Limited Liability Company,

Case No. CV24-02613

11 Plaintiff,

Dept. No. 8

12 vs.

13 THE NAVIGATORS GROUP, INC. dba  
NAVIGATORS INSURANCE COMPANY,  
14 a wholly owned subsidy of THE HARTFORD,  
and DOES I-X, inclusive.

15 Defendant.

16 **AMENDED COMPLAINT**

17 Plaintiff, SARONIC INVESTMENTS, LLC, by and through its undersigned Counsel,  
18 STEVEN F. BUS, ESQ., of the Law Offices of Steven F. Bus, Ltd., hereby amends its complaint  
19 against Defendant, THE NAVIGATORS GROUP, INC. dba NAVIGATORS INSURANCE  
20 COMPANY, and for claims for relief, alleges as follows:

21 **GENERAL ALLEGATIONS**

22 1. Plaintiff, SARONIC INVESTMENTS, LLC, is, and at all times mentioned herein  
23 and was, a limited liability company duly organized under the laws of the State of Nevada with its  
24 primary place of business in Reno, Nevada.

25 2. Plaintiff is informed and believes and therefore alleges that Defendant, THE  
26 NAVIGATORS GROUP, INC. dba NAVIGATORS INSURANCE COMPANY,  
27

1 (“NAVIGATORS”) is, and at all times mentioned herein was, a corporation duly organized under the  
2 laws of the State of Connecticut, with its principal place of business in Stamford, Connecticut which  
3 became a wholly owned subsidiary of THE HARTFORD.

4 3. The true names or capacities, whether individual, corporate, association, or  
5 otherwise, of Defendants Does I-X are unknown to Plaintiff, who therefore sues said Defendants by  
6 such fictitious names. Plaintiff is informed and believes and therefore alleges that each of the  
7 Defendants designated herein as Does I-X are responsible and/or liable for the injuries Plaintiff  
8 sustained as alleged herein, that Plaintiff will ask the Court to amend this Complaint to insert the  
9 true names and capacities of Does I-X when the same has been ascertained and to join such  
10 Defendants in this action.

11 4. Plaintiff purchased the property located of 3131 South Virginia Street in Reno,  
12 Nevada, known as the Vagabond Inn consisting of approximately 133 motel rooms in 2015.

13 5. On May 4, 2021, a Mercedes Benz, traveling at an excessive rate of speed on Virginia  
14 Street struck another vehicle causing it to strike the electrical pole at the front of the Vagabond Inn.

15 6. Due to the horrendous impact of the collision it uprooted the electrical pole, the main  
16 source of power, and it caused an explosion and fire in the Vagabond Inn’s control panel, incinerated  
17 the electrical wires to the large sign in front of the motel, and made the central electrical operating  
18 systems, computers, telephones, TVs, cable, WiFi and security cameras and systems inoperable as  
19 well as many of the rooms.

20 7. In addressing the fire, the fire department damaged the pipes resulting in water  
21 damage to the lobby and effecting the habitability of the other rooms.

22 8. The combination of the electrical fire and water damage made the lobby and many of  
23 the rooms unsafe and uninhabitable.

24 9. The initial repairs by the general contractor, MG Builders, LLC, is \$1,585,000.00, the  
25 initial electrical repair from Nelson Electric is \$829,900.00, additional costs for fencing of \$84,  
26 500.00, security camera repair of \$31,115.64, sign repair for \$21, 204.30, fire damage clean up of

1 \$55,664.05, asbestos abatement \$63,590.00 and ongoing repair costs still being determined, and lost  
 2 net income for 2021 - \$590,897.00, for 2022 - \$453,029.00, for 2023 - \$302,219.00, and for 2024 -  
 3 \$625,544.00 for a total of \$1,971,683.00, and the loss of its franchise with Vagabond Inn, all of  
 4 which was provided to Defendant NAVIGATORS.

5 10. The insurance policy provided \$4,708,00.00 for property damage.

6 11. The insurance policy also provided for loss of income of \$1,000,000.00.

7 12. Defendant NAVIGATORS purposefully engaged in delay tactics by requesting  
 8 redundant and useless information, disputing repair estimates and lost income without being able to  
 9 provide any justifiable basis, and refusing to pay no more than \$496,337.95, \$50,000.00 of which  
 10 was for lost income, despite the overwhelming evidence to the contrary.

11 13. As a result, Plaintiff was unable to make the necessary repairs resulting in  
 12 substantial income loss, which continues to accrue, unable to pay its franchise fee losing its franchise  
 13 agreement with Vagabond Inn, and causing its business license issued by the City of Reno to be in  
 14 jeopardy forcing the closure of the business.

15 14. Despite Plaintiff's repeated and continuous demands for payment, Defendant  
 16 NAVIGATORS has failed and refused, and continues to fail and refuse to pay Plaintiff.

17 15. As a result and necessity of initiating and prosecuting this action, Plaintiff has  
 18 incurred, and will continue to incur, attorneys fees and costs and is entitled to recovery of the same.

19  
 20 **FIRST CLAIM FOR RELIEF**  
**(Breach of Contract)**

21 16. Plaintiff repleads and realleges each and every allegation set forth in Paragraphs 1-15,  
 22 inclusive, of its Complaint and incorporates the same by reference as though fully set forth herein.

23 17. Pursuant to the insurance policy issued by the Defendant NAVIGATORS to Plaintiff,  
 24 Defendant NAVIGATORS agreed to pay Plaintiff for property damage and lost income.

25 18. Despite Plaintiff's repeated and continuous demands, Defendant NAVIGATORS has  
 26 failed and refused, and continues to fail and refuse, to pay Plaintiff and such failure and refusal  
 27

1 amounts to a breach of the insurance policy.

2 19. As a direct and proximate result of said breach, Plaintiff has been damaged in an  
3 amount in excess of FIFTEEN THOUSAND DOLLARS (\$15,000.00), plus interest.

4  
5 **SECOND CLAIM FOR RELIEF**  
6 **(Breach of the Covenant of Good Faith and Fair Dealing)**

7 20. Plaintiff repleads and realleges each and every allegation set forth in Paragraphs 1-18,  
8 inclusive, of its Complaint and incorporate the same by reference as though fully set forth herein.

9 21. As a result of the contractual relationship between the Plaintiff and the Defendant  
10 NAVIGATORS, Defendant NAVIGATORS owed Plaintiff a duty of good faith and fair dealing.

11 22. The duty of good faith is also codified in NRS 686A.310 which among other things,  
12 requires an insured to promptly settle claims and not compel litigation by the insured to recover  
13 amounts due under the insurance policy.

14 23. Defendant NAVIGATORS breached both the implied and statutory covenant of good  
15 faith and fair dealing by failing and refusing, and by continuing to fail and refuse, to pay Plaintiff for  
16 repair costs and lost income necessitating that Plaintiff bring this action.

17 24. That as a direct and proximate cause of Defendant NAVIGATOR'S breach of both  
18 the implied and statutory covenants of good faith and fair dealing, Plaintiff has been damaged in an  
19 amount in excess of FIFTEEN THOUSAND DOLLARS (\$15,000.00), plus interest.

20 25. Defendant NAVIGATOR'S breach of both the implied and statutory covenants of  
21 good faith and fair dealing was willful, wanton, malicious, and/or oppressive, and/or in conscious  
22 disregard of the consequences, and as a result, Plaintiff is entitled to punitive damages in the amount  
23 in excess of FIFTEEN THOUSAND DOLLARS (\$15,000.00), plus interest.

24 **WHEREFORE, PLAINTIFF** prays for a judgment against the Defendant NAVIGATORS  
25 as follows:

26 1. For contractual damages in the amount in excess of FIFTEEN THOUSAND  
27 DOLLARS (\$15,000.00), plus interest;

28 2. For tortious damages in an amount in excess of FIFTEEN THOUSAND DOLLARS

1 (\$15,000.00), plus interest;

2 3. For punitive damages in an amount in excess of FIFTEEN THOUSAND DOLLARS

3 (\$15,000.00), plus interest;

4 4. For reasonable attorney fees and cost of suit incurred herein; and

5 5. For such other and further relief as the Court deems just and proper in the  
6 circumstances.

7 **AFFIRMATION**

8 Pursuant to NRS 239B.030, the undersigned does hereby affirm that the preceding document  
9 does not contain the Social Security number of any person.

10 DATED this 14<sup>th</sup> day of January, 2025.

11  
12 /s/Steven F. Bus  
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